

**MINOR SOURCE OPERATING PERMIT
OFFICE OF AIR QUALITY**

and

St. Joseph County Local Agency

**NCP Coatings, Inc.
1413 Clover Road
Mishawaka, Indiana 46545**

(herein known as the Permittee) is hereby authorized to construct and operate subject to the conditions contained herein, the emission units described in Section A (Source Summary) of this permit.

This permit is issued to the above mentioned company under the provisions of 326 IAC 2-1.1, 326 IAC 2-6.1 and 40 CFR 52.780, with conditions listed on the attached pages.

Operation Permit No.: MSOP 141-15583-00196	
Issued by: Original Signed by Paul Dubenetzky Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date: April 9, 2002

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SECTION A

SOURCE SUMMARY

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) and St. Joseph County Local Agency. The information describing the source contained in conditions A.1 through A.3 is descriptive information and does not constitute enforceable conditions. However, the Permittee should be aware that a physical change or a change in the method of operation that may render this descriptive information obsolete or inaccurate may trigger requirements for the Permittee to obtain additional permits or seek modification of this permit pursuant to 326 IAC 2, or change other applicable requirements presented in the permit application.

A.1 General Information [326 IAC 2-5.1-3(c)] [326 IAC 2-6.1-4(a)]

The Permittee owns and operates a paint manufacturing operation.

Authorized individual: Sherman Drew
Source Address: 1413 Clover Road, Mishawaka, Indiana 46545
Mailing Address: 1413 Clover Road, Mishawaka, Indiana 46545
SIC Code: 2851
Source Location: St. Joseph
County Status: Attainment for PM, SO₂, NO_x, CO
Maintenance Attainment for VOC
Source Status: Minor Source Operating Permit (MSOP)

A.2 Emissions units and Pollution Control Equipment Summary

This stationary source is approved to construct and operate the following emissions units and pollution control devices:

- (a) One (1) paint mixing line, identified as Mix Line #1, including four (4) paint mixer tanks, identified as Mixer #s 6, 7, 8, and 10, with particulate matter from the mixing line controlled by Torit Dust Collector D-1;
- (b) One (1) natural gas-fired boiler, identified as BH-5, with a maximum rated heat input capacity of 1.8 million British Thermal Units per hour (MMBtu/hr);
- (c) Two (2) natural gas-fired heaters, identified as H-3 and H-4, each will have a heat input capacity of 0.25 MMBtu/hr;
- (d) Four (4) submerged filling stations, identified as 1 through 4;
- (e) Four (4) storage tanks, identified as Tank #3; Tank #4; Tank #5; and Tank PG-1, respectively;
- (f) Twelve (12) solvent tote tanks;
- (g) Space heaters, process heaters, or boilers, with heat input equal to or less than six million (6,000,000) Btu per hour, combusting propane, liquified petroleum gas, or butane;
- (h) Vessels storing lubricating oils, hydraulic oils, machining oils, and machining fluids;
- (i) Activities including the replacement or repair of electrostatic precipitators, bags in baghouses, and filters in other air filtration equipment;

- (j) Paved and unpaved roads and parking lots with public access;
- (k) Blowdown of sight glasses, boilers, compressors, pumps and/or cooling towers; and
- (l) One (1) miscellaneous paint drum/can storage area.

SECTION B GENERAL CONSTRUCTION CONDITIONS

THIS SECTION OF THE PERMIT IS BEING ISSUED UNDER THE PROVISIONS OF 326 IAC 2-1.1 AND 40 CFR 52.780, WITH CONDITIONS LISTED BELOW.

B.1 Permit No Defense [IC 13]

This permit to construct does not relieve the Permittee of the responsibility to comply with the provisions of the Indiana Environmental Management Law (IC 13-11 through 13-20; 13-22 through 13-25; and 13-30), the Air Pollution Control Law (IC 13-17) and the rules promulgated thereunder, as well as other applicable local, state, and federal requirements.

B.2 Definitions

Terms in this permit shall have the definition assigned to such terms in the referenced regulation. In the absence of definitions in the referenced regulation, any applicable definitions found in IC 13-11, 326 IAC 1-2, and 326 IAC 2-1.1-1 shall prevail.

B.3 Effective Date of the Permit [IC13-15-5-3]

Pursuant to IC 13-15-5-3, this permit becomes effective upon its issuance.

B.4 Revocation of Permits [326 IAC 2-1.1-9(5)]

Pursuant to 326 IAC 2-1.1-9(5)(Revocation of Permits), the Commissioner may revoke this permit if construction is not commenced within eighteen (18) months after receipt of this approval or if construction is suspended for a continuous period of one (1) year or more.

B.5 Modification to Permit [326 IAC 2]

Notwithstanding the Section B condition entitled "Minor Source Operating Permit", all requirements and conditions of this construction permit shall remain in effect unless modified in a manner consistent with procedures established for modifications of construction permits pursuant to 326 IAC 2 (Permit Review Rules).

B.6 Minor Source Operating Permit [326 IAC 2-6.1]

This document shall also become a minor source operating permit pursuant to 326 IAC 2-6.1 when, prior to start of operation, the following requirements are met:

- (a) The attached Affidavit of Construction shall be submitted to the Office of Air Quality (OAQ), Permit Administration & Development Section.
 - (1) If the Affidavit of Construction verifies that the facilities covered in this Construction Permit were constructed as proposed in the application, then the facilities may begin operating on the date the Affidavit of Construction is postmarked or hand delivered to IDEM.
 - (2) If the Affidavit of Construction does not verify that the facilities covered in this Construction Permit were constructed as proposed in the application, then the Permittee shall receive an Operation Permit Validation Letter from the Chief of the Permit Administration & Development Section prior to beginning operation of the facilities.

- (b) If construction is completed in phases; i.e., the entire construction is not done continuously, a separate affidavit must be submitted for each phase of construction. Any permit conditions associated with operation start up dates such as stack testing for New Source Performance Standards (NSPS) shall be applicable to each individual phase.
- (c) Upon receipt of the Operation Permit Validation Letter from the Chief of the Permit Administration & Development Section, the Permittee shall attach it to this document.
- (d) The operation permit will be subject to annual operating permit fees pursuant to 326 IAC 2-1.1-7(Fees).
- (e) Pursuant to 326 IAC 2-6.1-7, the Permittee shall apply for an operation permit renewal at least ninety (90) days prior to the expiration date established in the validation letter. If IDEM, OAQ, and St. Joseph County Local Agency, upon receiving a timely and complete permit application, fails to issue or deny the permit renewal prior to the expiration date of this permit, this existing permit shall not expire and all terms and conditions shall continue in effect until the renewal permit has been issued or denied. The operation permit issued shall contain as a minimum the conditions in Section C and Section D of this permit.

B.7 Local Agency Requirement

An application for an operation permit must be made ninety (90) days before start up to:

St. Joseph County Local Agency
County-City Building, Room 914
South Bend, IN 46601-1870

The operation permit issued by the St. Joseph County Local Agency shall contain as a minimum the conditions in the Operation Conditions section of this permit.

SECTION C SOURCE OPERATION CONDITIONS

Entire Source

C.1 Preventive Maintenance Plan [326 IAC 1-6-3]

- (a) If required by specific condition(s) in Section D of this permit, the Permittee shall prepare and maintain Preventive Maintenance Plans (PMP) after issuance of this permit, including the following information on each emissions unit:
- (1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;
 - (2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions;
 - (3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.
- (b) The Permittee shall implement the Preventive Maintenance Plans as necessary to ensure that failure to implement the Preventive Maintenance Plan does not cause or contribute to a violation of any limitation on emissions or potential to emit.
- (c) PMP's shall be submitted to IDEM, OAQ, and St. Joseph County Local Agency upon request and shall be subject to review and approval by IDEM, OAQ, and St. Joseph County Local Agency. IDEM, OAQ, and St. Joseph County Local Agency may require the Permittee to revise its Preventive Maintenance Plan whenever lack of proper maintenance causes or contributes to any violation.

C.2 Permit Revision [326 IAC 2-5.1-3(e)(3)] [326 IAC 2-6.1-6]

- (a) The Permittee must comply with the requirements of 326 IAC 2-6.1-6 whenever the Permittee seeks to amend or modify this permit.
- (b) Any application requesting an amendment or modification of this permit shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

and

St. Joseph County Local Agency
County-City Building, Room 914
South Bend, IN 46601-1870

Any such application should be certified by the "authorized individual" as defined by 326 IAC 2-1.1-1.

- (c) The Permittee shall notify the OAQ within thirty (30) calendar days of implementing a notice-only change. [326 IAC 2-6.1-6(d)]

C.3 Inspection and Entry [326 IAC 2-5.1-3(e)(4)(B)] [326 IAC 2-6.1-5(a)(4)]

Upon presentation of proper identification cards, credentials, and other documents as may be required by law, and subject to the Permittee's right under all applicable laws and regulations to assert that the information collected by the agency is confidential and entitled to be treated as such, the Permittee shall allow IDEM, OAQ, and St. Joseph County Local Agency, U.S. EPA, or an authorized representative to perform the following:

- (a) Enter upon the Permittee's premises where a permitted source is located, or emissions related activity is conducted, or where records must be kept under the conditions of this permit;
- (b) Have access to and copy, at reasonable times, any records that must be kept under this title or the conditions of this permit or any operating permit revisions;
- (c) Inspect, at reasonable times, any processes, emissions units (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit or any operating permit revisions;
- (d) Sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with this permit or applicable requirements; and
- (e) Utilize any photographic, recording, testing, monitoring, or other equipment for the purpose of assuring compliance with this permit or applicable requirements.

C.4 Transfer of Ownership or Operation [326 IAC 2-6.1-6(d)(3)]

Pursuant to [326 IAC 2-6.1-6(d)(3)] :

- (a) In the event that ownership of this source is changed, the Permittee shall notify IDEM, OAQ, Permits Branch and St. Joseph County Local Agency, within thirty (30) days of the change.
- (b) The written notification shall be sufficient to transfer the permit to the new owner by an notice-only change pursuant to 326 IAC 2-6.1-6(d)(3).
- (c) IDEM, OAQ, and St. Joseph County Local Agency shall issue a revised permit.

The notification which shall be submitted by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

C.5 Permit Revocation [326 IAC 2-1-9]

Pursuant to 326 IAC 2-1-9(a)(Revocation of Permits), this permit to construct and operate may be revoked for any of the following causes:

- (a) Violation of any conditions of this permit.
- (b) Failure to disclose all the relevant facts, or misrepresentation in obtaining this permit.

- (c) Changes in regulatory requirements that mandate either a temporary or permanent reduction of discharge of contaminants. However, the amendment of appropriate sections of this permit shall not require revocation of this permit.
- (d) Noncompliance with orders issued pursuant to 326 IAC 1-5 (Episode Alert Levels) to reduce emissions during an air pollution episode.
- (e) For any cause which establishes in the judgment of IDEM and St. Joseph County Local Agency, the fact that continuance of this permit is not consistent with purposes of this article.

C.6 Opacity [326 IAC 5-1]

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), opacity shall meet the following, unless otherwise stated in this permit:

- (a) Opacity shall not exceed an average of forty percent (40%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

C.7 Fugitive Dust Emissions [326 IAC 6-4]

The Permittee shall not allow fugitive dust to escape beyond the property line or boundaries of the property, right-of-way, or easement on which the source is located, in a manner that would violate 326 IAC 6-4 (Fugitive Dust Emissions).

Testing Requirements

C.8 Performance Testing [326 IAC 3-6]

- (a) Compliance testing on new emissions units shall be conducted within 60 days after achieving maximum production rate, but no later than 180 days after initial start-up, if specified in Section D of this approval. All testing shall be performed according to the provisions of 326 IAC 3-6 (Source Sampling Procedures), except as provided elsewhere in this permit, utilizing any applicable procedures and analysis methods specified in 40 CFR 51, 40 CFR 60, 40 CFR 61, 40 CFR 63, 40 CFR 75, or other procedures approved by IDEM, OAQ.

A test protocol, except as provided elsewhere in this permit, shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

and

St. Joseph County Local Agency
County-City Building, Room 914
South Bend, IN 46601-1870

no later than thirty-five (35) days prior to the intended test date. The Permittee shall submit a notice of the actual test date to the above address so that it is received at least two weeks prior to the test date.

- (b) All test reports must be received by IDEM, OAQ, and St. Joseph County Local Agency within forty-five (45) days after the completion of the testing. An extension may be granted by the IDEM, OAQ, and St. Joseph County Local Agency, if the source submits to IDEM, OAQ, a reasonable written explanation within five (5) days prior to the end of the initial forty-five (45) day period.

The documentation submitted by the Permittee does not require certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

Compliance Monitoring Requirements

C.9 Compliance Monitoring [326 IAC 2-1.1-11]

Compliance with applicable requirements shall be documented as required by this permit. The Permittee shall be responsible for installing any necessary equipment and initiating any required monitoring related to that equipment. All monitoring and record keeping requirements not already legally required shall be implemented when operation begins.

C.10 Monitoring Methods [326 IAC 3]

Any monitoring or testing required by Section D of this permit shall be performed according to the provisions of 326 IAC 3, 40 CFR 60, Appendix A, or other approved methods as specified in this permit.

C.11 Compliance Monitoring Plan - Failure to Take Response Steps [326 IAC 1-6]

- (a) The Permittee is required to implement a compliance monitoring plan to ensure that reasonable information is available to evaluate its continuous compliance with applicable requirements. This compliance monitoring plan is comprised of:
- (1) This condition;
 - (2) The Compliance Determination Requirements in Section D of this permit;
 - (3) The Compliance Monitoring Requirements in Section D of this permit;
 - (4) The Record Keeping and Reporting Requirements in Section C (Monitoring Data Availability, General Record Keeping Requirements, and General Reporting Requirements) and in Section D of this permit; and
 - (5) A Compliance Response Plan (CRP) for each compliance monitoring condition of this permit. CRP's shall be submitted to IDEM, OAQ, and St. Joseph County Local Agency upon request and shall be subject to review and approval by IDEM, OAQ, and St. Joseph County Local Agency. The CRP shall be prepared within ninety (90) days after issuance of this permit by the Permittee and maintained on site, and is comprised of :

- (A) Response steps that will be implemented in the event that compliance related information indicates that a response step is needed pursuant to the requirements of Section D of this permit; and
 - (B) A time schedule for taking such response steps including a schedule for devising additional response steps for situations that may not have been predicted.
- (b) For each compliance monitoring condition of this permit, appropriate response steps shall be taken when indicated by the provisions of that compliance monitoring condition. Failure to perform the actions detailed in the compliance monitoring conditions or failure to take the response steps within the time prescribed in the Compliance Response Plan, shall constitute a violation of the permit unless taking the response steps set forth in the Compliance Response Plan would be unreasonable.
- (c) After investigating the reason for the excursion, the Permittee is excused from taking further response steps for any of the following reasons:
- (1) The monitoring equipment malfunctioned, giving a false reading. This shall be an excuse from taking further response steps providing that prompt action was taken to correct the monitoring equipment.
 - (2) The Permittee has determined that the compliance monitoring parameters established in the permit conditions are technically inappropriate, has previously submitted a request for an administrative amendment to the permit, and such request has not been denied or;
 - (3) An automatic measurement was taken when the process was not operating; or
 - (4) The process has already returned to operating within "normal" parameters and no response steps are required.
- (d) Records shall be kept of all instances in which the compliance related information was not met and of all response steps taken.

C.12 Actions Related to Noncompliance Demonstrated by a Stack Test

- (a) When the results of a stack test performed in conformance with Section C - Performance Testing, of this permit exceed the level specified in any condition of this permit, the Permittee shall take appropriate corrective actions. The Permittee shall submit a description of these corrective actions to IDEM, OAQ, within thirty (30) days of receipt of the test results. The Permittee shall take appropriate action to minimize emissions from the affected emissions unit while the corrective actions are being implemented. IDEM, OAQ shall notify the Permittee within thirty (30) days, if the corrective actions taken are deficient. The Permittee shall submit a description of additional corrective actions taken to IDEM, OAQ within thirty (30) days of receipt of the notice of deficiency. IDEM, OAQ reserves the authority to use enforcement activities to resolve noncompliant stack tests.

- (b) A retest to demonstrate compliance shall be performed within one hundred twenty (120) days of receipt of the original test results. Should the Permittee demonstrate to IDEM, OAQ that retesting in one-hundred and twenty (120) days is not practicable, IDEM, OAQ may extend the retesting deadline. Failure of the second test to demonstrate compliance with the appropriate permit conditions may be grounds for immediate revocation of the permit to operate the affected emissions unit.

The documents submitted pursuant to this condition do not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

Record Keeping and Reporting Requirements

C.13 Malfunctions Report [326 IAC 1-6-2]

Pursuant to 326 IAC 1-6-2 (Records; Notice of Malfunction):

- (a) A record of all malfunctions, including startups or shutdowns of any facility or emission control equipment, which result in violations of applicable air pollution control regulations or applicable emission limitations shall be kept and retained for a period of three (3) years and shall be made available to the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) or appointed representative upon request.
- (b) When a malfunction of any facility or emission control equipment occurs which lasts more than one (1) hour, said condition shall be reported to OAQ, using the Malfunction Report Forms (2 pages). Notification shall be made by telephone or facsimile, as soon as practicable, but in no event later than four (4) daytime business hours after the beginning of said occurrence.
- (c) Failure to report a malfunction of any emission control equipment shall constitute a violation of 326 IAC 1-6, and any other applicable rules. Information of the scope and expected duration of the malfunction shall be provided, including the items specified in 326 IAC 1-6-2(a)(1) through (6).
- (d) Malfunction is defined as any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner. [326 IAC 1-2-39]

C.14 Annual Emission Statement [326 IAC 2-6]

- (a) The Permittee shall submit an annual emission statement certified pursuant to the requirements of 326 IAC 2-6, that must be received by April 15 of each year and must comply with the minimum requirements specified in 326 IAC 2-6-4. The annual emission statement shall meet the following requirements:
 - (1) Indicate actual emissions of criteria pollutants from the source, in compliance with 326 IAC 2-6 (Emission Reporting);
 - (2) Indicate actual emissions of other regulated pollutants from the source, for purposes of Part 70 fee assessment.
- (b) The annual emission statement covers the twelve (12) consecutive month time period starting December 1 and ending November 30. The annual emission statement must be submitted to:

Indiana Department of Environmental Management
Technical Support and Modeling Section, Office of Air Quality
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

and

St. Joseph County Local Agency
County-City Building, Room 914
South Bend, IN 46601-1870

- (c) The annual emission statement required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, and St. Joseph County Local Agency on or before the date it is due.

The submittal by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

C.15 Monitoring Data Availability [326 IAC 2-6.1-2] [IC 13-14-1-13]

- (a) With the exception of performance tests conducted in accordance with Section C-Performance Testing, all observations, sampling, maintenance procedures, and record keeping, required as a condition of this permit shall be performed at all times the equipment is operating at normal representative conditions.
- (b) As an alternative to the observations, sampling, maintenance procedures, and record keeping of subsection (a) above, when the equipment listed in Section D of this permit is not operating, the Permittee shall either record the fact that the equipment is shut down or perform the observations, sampling, maintenance procedures, and record keeping that would otherwise be required by this permit.
- (c) If the equipment is operating but abnormal conditions prevail, additional observations and sampling should be taken with a record made of the nature of the abnormality.
- (d) If for reasons beyond its control, the operator fails to make required observations, sampling, maintenance procedures, or record keeping, reasons for this must be recorded.
- (e) At its discretion, IDEM and St. Joseph County Local Agency may excuse such failure providing adequate justification is documented and such failures do not exceed five percent (5%) of the operating time in any quarter.
- (f) Temporary, unscheduled unavailability of staff qualified to perform the required observations, sampling, maintenance procedures, or record keeping shall be considered a valid reason for failure to perform the requirements stated in (a) above.

C.16 General Record Keeping Requirements [326 IAC 2-6.1-2]

- (a) Records of all required monitoring data and support information shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be kept at the source location for a minimum of three (3) years and available upon the request of an IDEM, OAQ, and St. Joseph County local Agency representative. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner or St. Joseph County Local Agency makes a written request for records to the Permittee, the Permittee shall furnish the records to the Commissioner or St. Joseph County Local Agency within a reasonable time.
- (b) Records of required monitoring information shall include, where applicable:
 - (1) The date, place, and time of sampling or measurements;
 - (2) The dates analyses were performed;
 - (3) The company or entity performing the analyses;
 - (4) The analytic techniques or methods used;
 - (5) The results of such analyses; and
 - (6) The operating conditions existing at the time of sampling or measurement.
- (c) Support information shall include, where applicable:
 - (1) Copies of all reports required by this permit;
 - (2) All original strip chart recordings for continuous monitoring instrumentation;
 - (3) All calibration and maintenance records;
 - (4) Records of preventive maintenance shall be sufficient to demonstrate that failure to implement the Preventive Maintenance Plan did not cause or contribute to a violation of any limitation on emissions or potential to emit. To be relied upon subsequent to any such violation, these records may include, but are not limited to: work orders, parts inventories, and operator's standard operating procedures. Records of response steps taken shall indicate whether the response steps were performed in accordance with the Compliance Response Plan required by Section C - Compliance Monitoring Plan - Failure to take Response Steps, of this permit, and whether a deviation from a permit condition was reported. All records shall briefly describe what maintenance and response steps were taken and indicate who performed the tasks.
- (d) All record keeping requirements not already legally required shall be implemented when operation begins.

C.17 General Reporting Requirements [326 IAC 2-1.1-11] [326 IAC 2-6.1-2] [IC 13-14-1-13]

- (a) To affirm that the source has met all the compliance monitoring requirements stated in this permit the source shall submit as applicable, a Quarterly or semi-annual Compliance Monitoring Report. Any deviation from the requirements and the date(s) of each deviation must be reported. The Compliance Monitoring Report shall include the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

- (b) The report required in (a) of this condition and reports required by conditions in Section D of this permit shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

and

St. Joseph County Local Agency
County-City Building, Room 914
South Bend, IN 46601-1870

- (c) Unless otherwise specified in this permit, any notice, report, or other submission required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, and St. Joseph County Local Agency on or before the date it is due.
- (d) Unless otherwise specified in this permit, any quarterly or semi-annual report shall be submitted within thirty (30) days of the end of the reporting period. The report(s) does/do not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (e) All instances of deviations must be clearly identified in such reports. A reportable deviation is an exceedance of a permit limitation or a failure to comply with a requirement of the permit or a rule. It does not include:
- (1) An excursion from compliance monitoring parameters as identified in Section D of this permit unless tied to an applicable rule or limit; or
 - (2) A malfunction as described in 326 IAC 1-6-2; or
 - (3) Failure to implement elements of the Preventive Maintenance Plan unless lack of maintenance has caused or contributed to a deviation.
 - (4) Failure to make or record information required by the compliance monitoring provisions of Section D unless such failure exceeds 5% of the required data in any calendar quarter.

A Permittee's failure to take the appropriate response step when an excursion of a compliance monitoring parameter has occurred or failure to monitor or record the required compliance monitoring is a deviation.

- (f) Any corrective actions or response steps taken as a result of each deviation must be clearly identified in such reports.
- (g) The first report shall cover the period commencing on the date of issuance of this permit and ending on the last day of the reporting period.

C.18 Annual Notification [326 IAC 2-6.1-5(a)(5)]

- (a) Annual notification shall be submitted to the Office of Air Quality stating whether or not the source is in operation and in compliance with the terms and conditions contained in this permit.
- (b) Noncompliance with any condition must be specifically identified. If there are any permit conditions or requirements for which the source is not in compliance at any time during the year, the Permittee must provide a narrative description of how the source did or will achieve compliance and the date compliance was, or will be, achieved. The notification must be signed by an authorized individual.
- (c) The annual notice shall cover the time period from January 1 to December 31 of the previous year, and shall be submitted in the format attached no later than March 1 of each year to:

Compliance Branch, Office of Air Quality
Indiana Department of Environmental Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, IN 46206-6015

and

St. Joseph County Local Agency
County-City Building, Room 914
South Bend, IN 46601-1870

- (d) The notification shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, and St. Joseph County Local Agency on or before the date it is due.

SECTION D.1

EMISSIONS UNIT OPERATION CONDITIONS

- (a) One (1) paint mixing line, identified as Mix Line #1, including four (4) paint mixer tanks, identified as Mixer #s 6, 7, 8, and 10, with particulate matter from the mixing line controlled by Torit Dust Collector D-1;
- (b) Four (4) submerged filling stations, identified as 1 through 4;
- (c) Four (4) storage tanks, identified as Tank #3; Tank #4; Tank #5; and Tank PG-1, respectively; and
- (d) Twelve (12) solvent tote tanks;
- (e) One (1) miscellaneous paint drum/can storage area.

Emission Limitations and Standards

D.1.1 Volatile Organic Compounds (VOC) [326 IAC 8-1-6]

The owner or operator shall limit the amount of VOCs from Mixing Line 1 to 24 tons per year, based on a 12 month rolling total.

D.1.2 Particulate Matter (PM) [326 IAC 6-3-2]

The owner or operator shall limit the particulate matter (PM) from Mixing Line 1 to 2.44 pounds per hour.

D.1.3 Control Equipment Standards [326 IAC 6-3-2]

To achieve compliance with the PM limit of Condition D.1.2, the owner or operator shall install baghouse D-1 and its associated capture system. Said baghouse and capture system shall be operated all times when either Mixing Line 1 is in operation, and shall be operated, at a minimum, at the parameters that achieve compliance with the limits of Condition D.1.2.

Should the owner or operator determine that baghouse D-1 or its associated capture system is not operating normally or as designed, the owner or operator shall follow the response steps specified in Condition C.11. Failure to take response steps in accordance with Section C - Compliance Monitoring Plan - Failure to Take Response Steps, shall be considered a violation of this permit.

D.1.4 Preventive Maintenance Plan [326 IAC 1-6-3]

A Preventive Maintenance Plan, in accordance with Section C - Preventive Maintenance Plan, of this permit, is required for this emissions unit and any control devices.

Compliance Determination Requirements

D.1.5 Compliance Determination, Volatile Organic Compound Limitations

To demonstrate compliance with the limits of Condition D.1.1, the owner or operator shall, on a monthly basis, determine the VOC emissions from all VOC containing materials used at Mixing Line 1, utilizing the following equation.

$$\text{Tons VOC} = \text{sum} [\text{Tons Material This Month}] * 30 \text{ lb VOC/ton material} * 1/2000 \text{ ton VOC/lb VOC}$$

For the purposes of this Condition, VOC containing material is defined as any materials used at Mixing Line 1 that contains any amount of any carbon compounds other than:

- (a) carbon monoxide,
- (b) carbon dioxide,
- (c) carbonic acid,
- (d) metallic carbides or carbonates,
- (e) ammonium carbonate, and
- (f) any of the following non-photochemically reactive hydrocarbons:
 - (a) Methane (CAS Number 74-82-8),
 - (2) Ethane (CAS Number 74-84-0),
 - (3) 1, 1, 1, trichloroethane (CAS Number 71-55-6),
 - (4) 1, 1, 1, trichloro-2, 2, 2- trifluoroethane (CAS Number 76-13-1),
 - (5) Trichlorofluoromethane (CAS Number 75-69-4),
 - (6) Dichlorodifluoromethane (CAS Number 75-71-8),
 - (7) Chlorodifluoromethane (CAS Number 75-46-7),
 - (8) Trifluoromethane (CAS Number 75-46-7),
 - (9) 1,2, dichloro 1, 1, 2, 2 tetrafluoroethane (CAS Number 132-03-72),
 - (10) Chloropentafluoroethane (CAS Number 76-15-3),
 - (11) 1, 1, 1 trifluoro 2,2 dichloroethane (CAS Number 306-83-2),
 - (12) 1, 1, 1, 2 tetrafluoroethane (CAS Number 811-97-2),
 - (13) 1, 1 dichloro 1 fluoroethane (CAS Number 1717-00-6),
 - (14) 1 chloro 1, 1 difluoroethane (CAS Number 75-68-3),
 - (15) Methylene chloride (CAS Number 75-09-2),
 - (16) 2 chloro 1, 1, 1, 2 tetrafluoroethane (CAS Number 2837-89-0),
 - (17) Pentafluoroethane (CAS Number 354-33-6),
 - (18) 1, 1, 2, 2 tetrafluoroethane (CAS Number 359-35-3),
 - (19) 1, 1, 1 trifluoroethane (CAS Number 420-46-2),
 - (20) 1, 1 difluoroethane (CAS Number 75-37-6),
 - (21) Any perfluorocarbon compounds which fall into the following classes:
 - (A) Cyclic, branched, or linear, completely fluorinated alkanes,
 - (B) Cyclic, branched, or linear, completely fluorinated ethers with no unsaturations,
 - (C) Cyclic, branched, or linear, completely fluorinated tertiary amines with no unsaturations, and
 - (D) Sulfur containing perfluorocarbons with no unsaturations and with sulfur bonds only to carbon and fluorine,
 - (22) Parachlorobenzotrifluoride (CAS Number 98-56-6),
 - (23) Cyclic, branched, or linear completely methylated siloxanes, and
 - (24) Acetone (CAS Number 67-64-1).

D.1.6 Testing Requirements

To determine compliance with the limits of Conditions D.1.2, the owner or operator shall, during the period between 30 and 36 months after issuance of this permit, perform PM testing utilizing methods as approved by the Commissioner. This test shall be repeated at least once every five (5) years from the date of this valid compliance demonstration. Said testing shall be conducted in accordance with Section C- Performance Testing.

Compliance Monitoring Requirements [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]

D.1.7 Compliance Monitoring, VOC Limitations

To demonstrate compliance with the limits of Condition D.1.1, the owner or operator shall record, on a monthly basis, the following for Mixing Line 1:

- (a) the amount of each VOC containing material in tons,
- (b) the total amount VOC containing material in tons, and
- (c) the estimated VOC emissions from the mixing line in tons, as required in Condition D.1.5.

D.1.8 Compliance Monitoring, Particulate Matter (PM) Limitations

To demonstrate compliance with the limits of Condition D.1.2, the owner or operator shall:

- (a) perform daily visible emission notations of the stack exhaust of baghouse D-1 during normal daylight operations when Mixing Line 1 is in operation and the baghouse is exhausting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal.

For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.

In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process;

- (b) observe and record at least once a week, the total static pressure drop across baghouse D-1 when either Mixing Line 1 is in operation and venting to the atmosphere.

The instrument used for determining the pressure shall comply with Section C - Pressure Gauge and Other Instrument Specifications, of this permit, shall be subject to approval by IDEM, OAQ, and St. Joseph County Local Agency and shall be calibrated at least once every six (6) months.

Unless operated under conditions for which the Compliance Response Plan specifies otherwise, the pressure drop across baghouse D-1 shall be maintained within the range of 3.0 and 6.0 inches of water or a range established during the latest stack test; and

- (c) perform at least once each calendar quarter, an inspection of all bags of baghouse D-1 while the baghouse is venting to the atmosphere. Said inspections are optional when venting indoors. Should the owner or operator detect any defective bags, the owner or operator shall replace them.

D.1.9 Broken or Failed Bag Detection

In the event that bag failure has been observed:

- (a) For multi-compartment units, the affected compartments will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if there are no visible emissions or if the event qualifies as an emergency and the Permittee satisfies the emergency provisions of this permit (Section B- Emergency Provisions). Within eight (8) business hours of the determination of failure, response steps according to the timetable described in the Compliance Response Plan shall be initiated. For any failure with corresponding response steps and timetable not described in the Compliance Response Plan, response steps shall be devised within eight (8) business hours of discovery of the failure and shall include a timetable for completion. Failure to take response steps in accordance with Section C - Compliance Monitoring Plan - Failure to Take Response Steps, shall be considered a violation of this permit.
- (b) For single compartment baghouses, failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency

Record Keeping and Reporting Requirements [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]

D.1.10 Record Keeping Requirements

- (a) To document compliance with Condition D.1.1, the owner or operator shall maintain for Mixing Line 1, the following records:
 - (1) the amount of each VOC containing material in ton, as recorded pursuant to the requirements of Condition D.1.7,
 - (2) the total amount VOC containing material in tons, as recorded pursuant to the requirements of Condition D.1.7,
 - (3) the estimated VOC emissions from each mixing line in tons, as recorded pursuant to the requirements of Condition D.1.7,
 - (4) Material Safety Data Sheets (MSDS) for all materials used, and
 - (5) purchase orders and invoices of all VOC containing materials used.
- (b) To document compliance with Conditions D.1.2, the owner or operator shall maintain a log of the daily visible emission notations, weekly pressure drop readings, and quarterly inspections, as required in Condition D.1.8.

All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.1.11 Reporting Requirements

A quarterly summary of the information to document compliance with Condition D.1.1 shall be submitted to the addresses listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).

SECTION D.2

EMISSIONS UNIT OPERATION CONDITIONS

- (a) One (1) natural gas-fired boiler, identified as BH-5, with a maximum rated heat input capacity of 1.8 million British Thermal Units per hour (MMBtu/hr);
- (b) Two (2) natural gas-fired heaters, identified as H-3 and H-4, each will have a heat input capacity of 0.25 MMBtu/hr;
- (c) Space heaters, process heaters, or boilers, with heat input equal to or less than six million (6,000,000) Btu per hour, combusting propane, liquified petroleum gas, or butane;
- (d) Vessels storing lubricating oils, hydraulic oils, machining oils, and machining fluids;
- (e) Activities including the replacement or repair of electrostatic precipitators, bags in baghouses, and filters in other air filtration equipment;
- (f) Paved and unpaved roads and parking lots with public access; and
- (g) Blowdown of sight glasses, boilers, compressors, pumps and/or cooling towers.

Emission Limitations and Standards

D.2.1 Particulate Matter (PM) [326 IAC 6-2]

Pursuant to 326 IAC 6-2, the PM emissions from boiler BH-5 shall not exceed 0.6 lb PM/MMBtu.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE BRANCH**

and

St. Joseph County Local Agency

**MINOR SOURCE OPERATING PERMIT
ANNUAL NOTIFICATION**

This form should be used to comply with the notification requirements under 326 IAC 2-6.1-5(a)(5).

Company Name:	NCP Coatings, Inc.
Address:	1413 Clover Road
City:	Mishawaka, IN 46545
Phone #:	
MSOP #:	141-15583-00196

I hereby certify that NCP Coatings, Inc. is: ☒ still in operation.
☐ no longer in operation.

I hereby certify that NCP Coatings, Inc. is: ☒ in compliance with the requirements of MSOP 141-15583-00196.
☐ not in compliance with the requirements of MSOP 141-15583-00196.

Authorized Individual (typed):
Title:
Signature:
Date:

If there are any conditions or requirements for which the source is not in compliance, please attach a narrative description to this form, of how the source did or will achieve compliance and the date compliance was, or will be achieved.

MALFUNCTION REPORT

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
FAX NUMBER - 317 233-5967**

**This form should only be used to report malfunctions applicable to Rule 326 IAC 1-6
and to qualify for the exemption under 326 IAC 1-6-4.**

THIS FACILITY MEETS THE APPLICABILITY REQUIREMENTS BECAUSE IT HAS POTENTIAL TO EMIT 25 TONS/YEAR PARTICULATE MATTER ?____, 25 TONS/YEAR SULFUR DIOXIDE ?____, 25 TONS/YEAR NITROGEN OXIDES?____, 25 TONS/YEAR VOC ?____, 25 TONS/YEAR HYDROGEN SULFIDE ?____, 25 TONS/YEAR TOTAL REDUCED SULFUR ?____, 25 TONS/YEAR REDUCED SULFUR COMPOUNDS ?____, 25 TONS/YEAR FLUORIDES ?____, 100TONS/YEAR CARBON MONOXIDE ?____, 10 TONS/YEAR ANY SINGLE HAZARDOUS AIR POLLUTANT ?____, 25 TONS/YEAR ANY COMBINATION HAZARDOUS AIR POLLUTANT ?____, 1 TON/YEAR LEAD OR LEAD COMPOUNDS MEASURED AS ELEMENTAL LEAD ?____, OR IS A SOURCE LISTED UNDER 326 IAC 2-5.1-3(2) ?____. EMISSIONS FROM MALFUNCTIONING CONTROL EQUIPMENT OR PROCESS EQUIPMENT CAUSED EMISSIONS IN EXCESS OF APPLICABLE LIMITATION _____.

THIS MALFUNCTION RESULTED IN A VIOLATION OF: 326 IAC _____ OR, PERMIT CONDITION # _____ AND/OR PERMIT LIMIT OF _____

THIS INCIDENT MEETS THE DEFINITION OF 'MALFUNCTION' AS LISTED ON REVERSE SIDE ? Y N

THIS MALFUNCTION IS OR WILL BE LONGER THAN THE ONE (1) HOUR REPORTING REQUIREMENT ? Y N

COMPANY: _____ PHONE NO. () _____ LOCATION: _____
(CITY AND COUNTY) _____ PERMIT NO. _____

AFS PLANT ID: _____ AFS POINT ID: _____ INSP: _____

CONTROL/PROCESS DEVICE WHICH MALFUNCTIONED AND REASON: _____

DATE/TIME MALFUNCTION STARTED: ____/____/19____ AM / PM

ESTIMATED HOURS OF OPERATION WITH MALFUNCTION CONDITION: _____

DATE/TIME CONTROL EQUIPMENT BACK-IN SERVICE ____/____/19____ AM/PM

TYPE OF POLLUTANTS EMITTED: TSP, PM-10, SO₂, VOC, OTHER: _____

ESTIMATED AMOUNT OF POLLUTANT EMITTED DURING MALFUNCTION: _____

MEASURES TAKEN TO MINIMIZE EMISSIONS: _____

REASONS WHY FACILITY CANNOT BE SHUTDOWN DURING REPAIRS:

CONTINUED OPERATION REQUIRED TO PROVIDE ESSENTIAL* SERVICES: _____

CONTINUED OPERATION NECESSARY TO PREVENT INJURY TO PERSONS: _____

CONTINUED OPERATION NECESSARY TO PREVENT SEVERE DAMAGE TO EQUIPMENT: _____

INTERIM CONTROL MEASURES: (IF APPLICABLE) _____

MALFUNCTION REPORTED BY: _____ TITLE: _____
(SIGNATURE IF FAXED)

MALFUNCTION RECORDED BY: _____ DATE: _____ TIME: _____

*SEE PAGE 2

PAGE 1 OF 2

Please note - This form should only be used to report malfunctions applicable to Rule 326 IAC 1-6 and to qualify for the exemption under 326 IAC 1-6-4.

326 IAC 1-6-1 Applicability of rule

Sec. 1. This rule applies to the owner or operator of any facility required to obtain a permit under 326 IAC 2-5.1 or 326 IAC 2-6.1.

326 IAC 1-2-39 "Malfunction" definition

Sec. 39. Any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner.

***Essential services** are interpreted to mean those operations, such as, the providing of electricity by power plants. Continued operation solely for the economic benefit of the owner or operator shall not be sufficient reason why a facility cannot be shutdown during a control equipment shutdown.

If this item is checked on the front, please explain
rationale: _____

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION**

and

St. Joseph County Local Agency

MSOP Quarterly Report

Source Name: NCP Coatings, Inc.
Source Address: 1413 Clover Road, Mishawaka, Indiana 46545
Mailing Address: 1413 Clover Road, Mishawaka, Indiana 46545
MSOP No.: 141-15583-00196
Facility: Mixing Line 1
Limit: 24 tons VOC/yr, based on 12 month rolling total

Quarter: _____ **Year:** _____

Mixing Line 1	(1) VOCs This Month (tons)	(2)* VOCs Past 11 Months (tons)	(1) + (2) 12 Month Rolling Total VOCs (tons)
Month 1 of Quarter			
Month 2 of Quarter			
Month 3 of Quarter			

* During the first 11 months of operation, there will not be 11 months worth of data. Therefore, for the first 11 months, please provide the sum total of the available past monthly estimated VOCs.

After the first 11 months please provide the sum total of the past 11 months of data, as requested.

9 No deviation occurred in this month.

9 Deviation/s occurred in this month.
Deviation has been reported on: _____

Submitted by: _____
Title/Position: _____
Signature: _____
Date: _____
Phone: _____

Attach a signed certification to complete this report.

Indiana Department of Environmental Management Office of Air Quality

Technical Support Document (TSD) for a Minor Source Operating Permit (MSOP) (Nonconfidential Version)

Source Background and Description

Source Name: NCP Coatings, Inc.
Source Location: 1413 Clover Road, Mishawaka, Indiana
County: St. Joseph
SIC Code: 2851
MSOP No.: 141-15583-00196
Permit Reviewer: SDF

The Office of Air Quality (OAQ) has reviewed an application from NCP Coatings, Inc. relating to the merging of existing permitted paint manufacturing lines 1 and 2 into one line because there is no longer the need to install two paint manufacturing lines.

Merging the two lines will result in a reduction in the source's worst case pollutant unrestricted potential to emit (VOC) from 100.01 tons per year to 55.70 tons per year. Reducing the VOC emissions to 55.70 tons per year reduces the level of the permit required from a Federally Enforceable State Operating Permit (FESOP) to a Minor Source Operating Permit (MSOP).

Thus, this permit is being drafted to revise the unit description and to permit the source under the proper level of permit, a MSOP. This MSOP shall supersede FESOP 141-14569-00196, issued on January 4, 2002.

After the proposed changes, the source unit description shall be as follows:

- (a) One (1) paint mixing line, identified as Mix Line #1, including four (4) paint mixer tanks, identified as Mixer #s 6, 7, 8, and 10, with particulate matter from the mixing line controlled by Torit Dust Collector D-1;
- (b) One (1) natural gas-fired boiler, identified as BH-5, with a maximum rated heat input capacity of 1.8 million British Thermal Units per hour (MMBtu/hr);
- (c) Two (2) natural gas-fired heaters, identified as H-3 and H-4, each will have a heat input capacity of 0.25 MMBtu/hr;
- (d) Four (4) submerged filling stations, identified as 1 through 4;
- (e) Four (4) storage tanks, identified as Tank #3; Tank #4; Tank #5; and Tank PG-1, respectively;
- (f) Twelve (12) solvent tote tanks;
- (g) Space heaters, process heaters, or boilers, with heat input equal to or less than six million (6,000,000) Btu per hour, combusting propane, liquified petroleum gas, or butane;
- (h) Vessels storing lubricating oils, hydraulic oils, machining oils, and machining fluids;

- (i) Activities including the replacement or repair of electrostatic precipitators, bags in baghouses, and filters in other air filtration equipment;
- (j) Paved and unpaved roads and parking lots with public access;
- (k) Blowdown of sight glasses, boilers, compressors, pumps and/or cooling towers; and
- (l) One (1) miscellaneous paint drum/can storage area.

Stack Summary

Stack ID	Operation	Height (feet)	Diameter (feet)	Flow Rate (acfm)	Temperature (°F)
BH-5	Boiler	15	0.5	Unknown	200

Enforcement Issue

There are no enforcement actions pending.

Recommendation

The staff recommends to the Commissioner that the operation of this MSOP be approved. This recommendation is based on the following facts and conditions:

Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

An application for the purposes of this review was received on February 8, 2002, with additional information received on February 15, 2002.

Emission Calculations

See the confidential version of the Technical Support Document (TSD) for detailed calculations. The following tables summarize the source emissions:

UNRESTRICTED POTENTIAL TO EMIT (UPTE):

The following table lists the source UPTE.

	PM tons/yr	PM10 tons/yr	SO2 tons/yr	NOx tons/yr	VOC tons/yr	CO tons/yr	Single HAPs tons/yr	Comb. HAPs tons/yr
Combustion	0.07	0.07	neg.	1.00	0.05	0.84	neg.	neg.
Storage	-	-	-	-	0.15	-	0.07	0.15
Mixing Line	40.36	40.36	-	-	55.35	-	5.39	14.81
Total	40.43	40.43	neg.	1.00	55.55	0.84	5.39	14.96

EMISSIONS AFTER CONTROLS:

The following table lists the source emissions after application of emission controls without application of emission limits.

	PM tons/yr	PM10 tons/yr	SO2 tons/yr	NOx tons/yr	VOC tons/yr	CO tons/yr	Single HAPs tons/yr	Comb. HAPs tons/yr
Combustion	0.07	0.07	neg.	1.00	0.05	0.84	neg.	neg.
Storage	-	-	-	-	0.15	-	0.07	0.15
Mixing Line	0.20	0.20	-	-	55.35	-	5.39	14.81
Total	0.27	0.27	neg.	1.00	55.55	0.84	5.39	14.96

Potential To Emit

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as “the maximum capacity of a stationary source or emissions unit to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed shall be treated as part of its design if the limitation is enforceable by the U. S. EPA, the department, or the appropriate local air pollution control agency.”

Pollutant	Potential To Emit (tons/year)
PM	40.43
PM-10	40.43
SO ₂	neg.
VOC	55.55
CO	0.84
NO _x	1.00

HAP's	Potential To Emit (tons/year)
Worst Case Single HAP	5.39
Combined HAPs	14.96

Justification of Approval Level

The PM10 and VOC PTE, each, are greater than 25 tons per year but less than 100 tons per year, the worst case single HAP PTE is less than 10 tons per year, and the combined HAP PTE is less than 25 tons per year. Therefore, the source, after the proposed changes, qualifies for a Minor Source Operating Permit (MSOP), pursuant to 326 IAC 2-6.1-2.

County Attainment Status

The source is located in St. Joseph County.

Pollutant	Status
PM-10	attainment
SO ₂	attainment
NO ₂	attainment
Ozone	maintenance
CO	attainment
Lead	not determined

- (a) Volatile organic compounds (VOC) are precursors for the formation of ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. St. Joseph County has been designated as maintenance attainment for ozone. Therefore, the VOC emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.
- (b) St. Joseph County has been classified as attainment or unclassifiable for all the other criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.

New Source Definition

The following is a summary of the source emissions after the proposed changes, after application of emission controls and limitations.

	PM tons/yr	PM10 tons/yr	SO ₂ tons/yr	NO _x tons/yr	VOC tons/yr	CO tons/yr	Single HAPs tons/yr	Comb. HAPs tons/yr
Combustion	0.07	0.07	neg.	1.00	0.05	0.84	neg.	neg.
Storage	-	-	-	-	0.15	-	0.07	0.15
Mixing Line	0.20	0.20	-	-	55.35	-	5.39	14.81
Total	0.27	0.27	neg.	1.00	55.55	0.84	5.39	14.96

PSD Levels	250	250	250	250	250	250	-	-
Part 70 Levels	-	100	100	100	100	100	10	25

- (a) The VOC emissions from proposed Mixing Line 1 is limited to 24 tons per year to avoid the 326 IAC 8-1-6 BACT requirements.
- (b) The PM and PM10 emissions from combined Mixing Line 1 are based on emissions after controls utilizing a dust collector with a 99.5% overall control efficiency.
- (c) This source after the proposed changes is not a major PSD stationary source because no attainment regulated pollutant is emitted at a rate of 250 tons per year or more and it is not one of the 28 listed source categories.
- (d) This source after the proposed changes is not a Title V major stationary source because no criteria pollutant potential to emit (PTE) exceeds the applicable level of 100 tons/yr, no single hazardous air pollutant PTE exceeds the applicable levels of 10 tons/yr, and the combined hazardous air pollutant PTE does not exceed the applicable level of 25 tons/yr.

This approval shall supersede Federally Enforceable State Operating Permit (FESOP) 141-14569-00196, issued January 4, 2002.

Federal Rule Applicability

(a) New Source Performance Standards (NSPS):

40 CFR 60, Subpart Kb:

40 CFR, Part 60.110b, Subpart Kb - Standards of Performance for Volatile Organic Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) for Which Construction, Reconstruction, or Modification Commenced After July 23, 1984 applies to each storage vessel with a capacity greater than or equal to 40 cubic meters (10,567 gallons).

- (a) Proposed storage tanks #3, #4, #5, and PG-1 are not subject to this rule, because each tank's capacity is less than 10,567 gallons.
- (b) Proposed tanks #6, #7, #8, and #10, are not subject to this rule, because they will be used as process tanks and not storage tanks.

40 CFR 60, Subpart Dc:

40 CFR, Part 60.40c, Subpart Dc - Standard of Performance for Small Industrial-Commercial-Institutional Steam Generating Units, for which construction, modification, or reconstruction is commenced after June 9, 1989, applies to boilers that have a maximum design heat input capacity of 100 MMBtu/hr or less, but greater than 10 MMBtu/hr.

The natural gas-fired boiler, identified as BH-5 are not subject to this NSPS, because the boiler's input capacity is less than 10 MMBtu/hr.

2. National Emission Standards for Hazardous Air Pollutants (NESHAPs)

There are no National Emission Standards for Hazardous Air Pollutants (NESHAPs)(326 IAC 14 and 40 CFR Part 63) applicable to this source.

State Rule Applicability - Entire Source

1. 326 IAC 2-4.1 (HAP Major Sources)

This source is not subject to the requirements of 326 IAC 2-4.1 because no single hazardous air pollutant (HAP) emissions exceed 10 tons per year, and the combined HAP emissions are less than 25 tons per year.

2. 326 IAC 2-6 (Emission Reporting)

This source is subject to 326 IAC 2-6 (Emission Reporting), because it is located in St. Joseph County and has VOC UPTE greater than 10 tons per year.

3. 326 IAC 5-1 (Visible Emissions Limitations)

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Exemptions), opacity shall meet the following, unless otherwise stated in this permit:

- (a) Opacity shall not exceed an average of forty percent (40%) any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings) as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

State Rule Applicability - Individual Facilities

1. 326 IAC 6-2 (PM Emissions for Sources of Indirect Heating)

- (a) The proposed natural gas-fired boiler, identified as BH-5, with a heat input capacity of 1.8 million British Thermal Units per hour (MMBtu/hr) is subject to 326 IAC 6-2-4 because the boiler, a source of indirect heating, was constructed after September 21, 1983.

Pursuant to 326 IAC 6-2-4, the particulate matter (PM) limit established shall be determined by the following equation:

$$\begin{aligned} P_t &= 1.09/Q^{0.26} \\ &= 0.93 \text{ lb/MMBtu} \end{aligned}$$

where: P_t = PM limit in pounds per million British Thermal Units (lb/MMBtu)
 Q = Total maximum capacity rating in MMBtu/hr = 1.80 MMBtu/hr

Based on the capacity of the boiler, the PM limit is determined to be 0.93 lb/MMBtu.

However, 326 IAC 6-2-4 states that if the maximum capacity is less than 10 MMBtu/hr, the limit shall in no case exceed 0.6 lb/MMBtu. Therefore the PM emission limit for the boiler shall be 0.6 lb PM/MMBtu.

The PM emission rate from the boiler is determined below:

Using natural gas for fuel, the boiler PM emission rate is determined as follows:

$$1.9 \text{ lb/MMcf} * 1 \text{ MMcf}/1000 \text{ MMBtu} = 0.0019 \text{ lb/MMBtu}$$

Since the boiler PM emission rate 0.0019 lb/MMBtu is less than the limit of 0.6 lb/MMBtu, the boiler is determined to be in compliance with the rule.

- (b) The two (2) natural gas-fired heaters, identified as H-3 and H-4, each with a heat input capacity of 0.25 MMBtu/hr are not subject to 326 IAC 6-2, because they are not sources of indirect heating.

2. 326 IAC 6-3-2 (Process Operations)

Pursuant to 326 IAC 6-3-2, the particulate matter (PM) emissions from mixing line 1, for a process weight rate of 0.46 tons per year (worst case scenario), shall be 2.44 lb/hr.

$$E = 4.10 * (P)^{0.67}$$

where: E = PM limit (lb/hr)
P = Process Weight Rate (0.46 tons/hr)

The hourly PM UPTE from combined mixing line 1, after controls, is determined to be 0.05 lb PM/hr

$$\text{Mixing Line 1: } 40.36 \text{ tons/yr} * 1/8760 \text{ yr/hr} * 2000 \text{ lb/ton} * (1 - 0.995) = 0.05 \text{ lb PM/hr}$$

The estimated hourly PM emissions after controls are less than the 326 IAC 6-3-2 limits. Therefore compliance is determined to be achieved by utilizing emission controls.

3. 326 IAC 8-1-6:

Since no other Article 8 rules apply and the VOC UPTE is greater than 25 tons per year, Mixing Line 1 is determined to be subject to the requirements of 326 IAC 8-1-6.

However, NCP Coatings, Inc. has opted to limit the VOC UPTE from combined Mixing Line 1 to less than 25 tons/yr. Thus, 326 IAC 8-1-6 will not apply.

Based on the actual operating schedule submitted by NCP Coatings, Inc. (2080 hr/yr), the VOC emissions are as follows:

$$8 \text{ hr/day} * 5 \text{ day/wk} * 52 \text{ wk/yr} = 2080 \text{ hr/yr}$$

Since the VOC emissions based on the actual hours of operation (13.14 tons VOC/yr) are less than their applicable level of 25 tons VOC/yr, it is determined that the VOC containing material usage can be limited such that the resultant VOC emissions are less than 25 tons/yr without requiring the source to reduce its actual production.

$$842.44 \text{ lb material/hr} * 2080 \text{ hr/yr} * 1/2000 \text{ ton material/lb material} = 13.14 \text{ tons material/yr}$$

Based on the allowable rate of 24 tons VOC/yr and the AP-42 emission factor of 30 lb VOC/ton material, the annual material usage shall be limited as follows:

$$24 \text{ tons VOC/yr} = X \text{ tons material/yr} * 30 \text{ lb VOC/ton material} * 1/2000 \text{ ton VOC/lb VOC}$$

$$X = 1600 \text{ tons VOC containing material per year per mixing line.}$$

This limit shall be based on a straight 12 month rolling total.

Conclusion

The operation of this paint manufacturing plant shall be subject to the conditions of the attached **FESOP 141-15583-00196**.